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Permanent Commission on the Status of Women

The State's leading force for women's equality

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Testimony of
Permanent Commission on the Status of Women
Submitted to the
Labor and Public Employees Committee
February 16, 2016

Re: **S.B. No. 39, AN ACT CONCERNING THE MINIMUM FAIR WAGE AND EMPLOYEES WHO CUSTOMARILY AND REGULARLY RECEIVE GRATUITIES.**
S.B. No. 42, AN ACT CONCERNING EMPLOYEE WAGES.

Senators Gomes and Hwang, Representatives Tercyak and Rutigliano, and distinguished members of the Labor Committee, thank you for this opportunity to provide testimony on behalf of the Permanent Commission on the Status of Women (PCSW) in support of SB 39, An Act Concerning the Minimum Fair Wage and Employees who Customarily and Regularly Receive Gratuities and SB 42, An Act Concerning Employee Wages.

S.B. No. 39, AN ACT CONCERNING THE MINIMUM FAIR WAGE AND EMPLOYEES WHO CUSTOMARILY AND REGULARLY RECEIVE GRATUITIES.

In 2014, the PCSW teamed up with the Institute for Women's Policy Research (IWPR) on a comprehensive study of women in Connecticut's workforce. Our study found that in Connecticut, half of employed women are concentrated in two broad groups of occupations, the service industry and sales and office positions, which are among the lowest-paid occupational groups for women.¹ Moreover, black and Hispanic women are much more likely than white women to work in service occupations.² Women of color also face a larger gender wage gap³ (the result of both gender and race discrimination), thus consequently, a large segment of our population, many of whom are female heads-of-household or primary bread winners in dual-earner families, finds themselves earning wages far below what is needed to be economically self-sufficient in Connecticut.

Tipped restaurant workers are paid a "sub-minimum wage" which means that they are only guaranteed a base wage of \$5.78/hour – far less than the minimum wage – with the expectation that the difference will be made up in tips. If the worker does not receive sufficient tips in the workweek to meet minimum wage, then the employer is required to make up the difference. According to the Shriver Report, tipped workers

¹ The Status of Women in Connecticut's Workforce. PCSW and Institute for Women's Policy Research, November, 2014.

² Ibid.

³ Ibid.

good intentions and do not purposefully discriminate against women in wages. It is highly likely that in most cases, wage disparities exist due to long standing practices and policies reflecting unintentional biases. If more companies voluntarily chose to look inward, perhaps we might be able to move the needle on wage disparity more quickly than we are now.

The PCSW supports any effort that takes steps to lessen – and eventually close – the gender-based wage gap. We recommend that any program developed to evaluate wages should include at the very least a voluntary option for private sector companies to conduct internal wage audits and be required to report the findings of such audits.

Thank you for the opportunity to submit this testimony and for considering these issues of great importance to Connecticut's working women.